98th Congress
2d Session

HOUSE OF REPRESENTATIVES

REPORT 98-440
Part 3

EMERGENCY WETLANDS RESOURCES ACT OF 1983

MARCH 6, 1984.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. HOWARD, from the Committee on Public Works and Transportation, submitted the following

REPORT

[To accompany H.R. 3082]

[Including cost estimate of the Congressional Budget Office]

The Committee on Public Works and Transportation, to whom was referred the bill (H.R. 3082) to promote the conservation of migratory waterfowl and to offset or prevent the serious loss of wetlands by the acquisition of wetlands and other essential habitat, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments (stated in terms of the page and line numbers of the bill as reported from the Committee on Merchant Marine and Fisheries) are as follows:

Page 43, after line 16 insert the following:

> (a) COST-BENEFIT RATIO REQUIRED.—Notwithstanding any other provision of law, no funds may be expended to carry out the project at Manteo (Shallowbag) Bay, North Carolina (authorized by section 101 of the River and Harbor Act of 1970 and hereinafter referred to as the "Manteo Bay project") unless a cost-benefit analysis of the Manteo Bay project is first prepared by the Secretary of the Army, acting through the Chief of Engineers, and that analysis discloses a favorable cost-benefit ratio regarding that project.

Page 43, line 17, strike out "(a)" and insert in lieu thereof "(b)".

Page 43, strike out lines 23, 24, and 25 and insert in lieu thereof the following:

> necessary to carry out the Manteo Bay project.

H1643-1

Page 44, line 1, strike out "(b)" and insert in lieu thereof "(c)".
Page 44, line 2, strike out "(a)" and insert in lieu thereof "(b)".

H.R. 3082, the Emergency Wetlands Resources Act of 1983, was reported October 25, 1983, by the Committee on Merchant Marine and Fisheries. The bill, as reported, was then sequentially referred to the Committees on Interior and Insular Affairs and Public Works and Transportation for consideration of such provisions of the bill and amendment as fall within the jurisdiction of these Committees.

H.R. 3082, as reported by the Committee on Merchant Marine and Fisheries, would increase revenues for migratory bird habitat acquisition by providing the Secretary of the Interior authority to require a fee for entrance into designated units of the National Wildlife Refuge System. Revenues from the sale of Duck Stamps would increase as a result of a gradual increase of the price of the Federal Migratory Bird and Conservation Stamp from $7.50 to $15.00 over a 5-year period.

Financial assistance for State and Federal wetlands conservation projects would increase, with H.R. 3082 transferring $75 million per year for 10 years from the Land and Water Conservation Fund to a new Wetlands Conservation Fund.

H.R. 3082, as amended, would require expedited completion of the National Wetlands Inventory Program including necessary authorizations to accomplish this expedited schedule. Periodic updating of the U.S. Fish and Wildlife "Status and Trends of Wetlands" report is required. The Secretary is also required to conduct a study due September 1985, examining the extent to which Federal programs encourage the destruction of wetlands and would make recommendations for the conservation of wetlands based on an evaluation and comparison of all management alternatives.

Finally, the amendment would authorize the Secretary of the Army to use certain National Park and Refuge lands in connection with the navigation project for Manteo (Shallowbag) Bay, North Carolina. It is this last provision which is within the jurisdiction of the Committee on Public Works and Transportation.

Shallowbag Bay is on the northeast side of Roanoke Island, about 13 miles northwest of Oregon Inlet, the northernmost existing inlet through the barrier beach from the ocean.

A 6-foot channel from Roanoke Sound to Manteo was completed in 1911. A 6-foot interim channel and basin in Mill Creek to Wanchese was dredged during 1956. Deepening and widening Old House Channel to Pamlico Sound to 12 feet by 100 feet was completed in 1957. The 12-foot deep channels from Old House Channel to and including basins at Manteo and Wanchese and the 14-foot-deep channel from the Atlantic Ocean over the bar and through Oregon Inlet were completed in 1960. Extension of the turning basin at Wanchese by about 325 feet was authorized under Section 107 of the 1960 River and Harbor Act, and completed in April 1963.

Oregon Inlet is subject to a large influx of sediments from the adjacent beaches due to the intense wave climate along North Carolina's "Outer Banks." The history of maintenance dredging clearly demonstrates the difficulties of maintaining a dredged channel through that particular inlet. In the period during which maintenance was performed by hopper dredges, the dredging

record documents that depths at or greater than 14 feet existed only some 28 percent of the time, and a channel width of 400 feet was never attained. Similarly, the sidecast dredging operations have been able to provide project depths of 14 feet or greater only 16 percent of the time, but have never developed the authorized bottom width of 400 feet.

Particularly, severe shoaling conditions in Oregon Inlet were manifested in the period 1980–83. In the winter of 1981–82, shoaling rates attendant with adverse weather conditions exceeded the capabilities of the dredging efforts to prevent closure of the ocean entrance channel at Oregon Inlet. This had severe impacts on the commercial fishing industry of the northern "Outer Banks" because its primary production season extends from October to March. Also, because of the shifting and unpredictable sea bottom at Oregon Inlet which abuts Pea Island, there have been several vessel groundings. The Coast Guard patrol boat, POINT BROWN, at times has been unable to transit Oregon Inlet and has, therefore, had to travel all the way around Cape Hatteras, resulting in delays carrying out its search-and-rescue missions.

In 1970, the Congress authorized stabilization of Oregon Inlet by means of jetties and the provision of an ocean entrance channel having a depth of 20 feet at low water and width of 400 feet. The increase in channel dimensions was necessary to safely accommodate the general vessels now engaged in the North Atlantic Fisheries industry. The project also provides for sand bypassing at the inlet to prevent jetty-induced beach erosion. Further, connecting channels in Pamlico Sound, extending from Oregon Inlet to the Village of Wanchese, would be deepened from a present depth of 12 feet to 14 feet, and increased in width from an existing 100 feet to 120 feet. Additionally, the project calls for expanding the harbor basin at Wanchese to have an area of 15 acres and a depth of 14 feet. This latter project feature was completed in 1979. No other project feature has been instituted to date. If implemented, the authorized stabilization of Oregon Inlet would provide an assured all-weather navigation channel for vessel passage through the inlet. The costs of the project are given below at current price levels.

Construction cost (4-year period), $99,086,000

Annual operations and maintenance costs:	
Sand bypassing	$3,668,000
Jetty maintenance	88,000
Mitigation feature maintenance	3,000
Monitoring surveys	68,000
Interior channel maintenance	329,000
Navigation aids maintenance	3,000
Waterfowl management	14,000
Dike maintenance	39,000
Total	4,212,000

Given the need for a continuous channel maintenance and beach nourishment operation, the Corps of Engineers evaluated a long-term dredging alternative, consisting of year-round hopper dredging within the ocean entrance channel and direct-pump out of dredged material to the adjacent shore of Pea Island along a distance of 3 to 5 miles. The dredge discharge would be assisted by two land-based booster pump stations. Additionally, the navigation

span beneath the bridge crossing Oregon Inlet would be maintained on a periodic basis by cutter-suction pipeline dredge with material disposal along the adjacent shore of Bodie Island. The costs of the long-term dredging alternative, including interior channels, is given below at current price levels.

Construction costs (6-month period), $9,793,000

Annual operation and maintenance costs:	
Inlet hopper dredging and beach disposal	$11,320,000
Bridge span pipeline dredging and beach disposal	2,189,000
Mitigation feature maintenance	3,000
Interior channel maintenance	329,000
Navigation aids maintenance	3,000
Water fowl management	14,000
Monitoring surveys	68,000
Dike maintenance	39,000
Total	13,965,000

When compared to the authorized jetty stabilization plan, the dredging alternative is far more costly to say nothing of the inherent physical uncertainties of maintaining the Oregon Inlet navigation channel from year to year solely by means of dredging.

Title IV of H.R. 3082 would authorize the Secretary of the Army to use Department of the Interior lands located within Cape Hatteras National Seashore and Pea Island National Wildlife Refuge to build the Manteo (Shallowbag) Bay jetties at Oregon Inlet, North Carolina.

The project would require construction of jetties on National Seashore and National Wildlife Refuge lands, routine placement of dredged material on the Refuge, and periodic placement on the Seashore. The National Wildlife Refuge System Administration Act permits this type of activity on a refuge if it is found to be compatible with the purposes for which the unit was established. Pea Island National Wildlife Refuge was established in 1938 for the purpose of providing a "refuge and breeding ground for migratory birds and other wildlife." In a compatability statement issued May 28, 1982, regarding issuance of a Department of the Interior permit for jetty construction and dredged material placement on the Refuge, the Fish and Wildlife Service concluded that the project, as currently proposed, is not compatible with the purpose for which the Refuge was established. Consequently, no right-of-way permit can be issued under existing authority to the Corps. In addition, under existing law, the National Park Service does not have the authority to allow jetty construction on the Seashore. H.R. 3082 would authorize the Army Corps of Engineers to use this land to carry out the project at Manteo Bay.

The bill, as reported by the Committee on Public Works and Transportation, also provides that no funds may be expended to carry out the project unless a benefit-cost analysis is first prepared by the Corps of Engineers and the analysis discloses a favorable cost-benefit ratio for the project.

In order to protect the National Wildlife Refuge and the National Seashore, the bill also requires that, in implementing the authority under subsection (a), the Secretary of the Army, in consultation with the Secretary of the Interior, shall, to the extent practicable and consistent with the construction and continued operation

of the Manteo Bay project, carry out the project in such manner as to (1) maintain the essential integrity of the Pea Island National Wildlife Refuge and the Cape Hatteras National Seashore; and (2) ensure that adverse impacts to the uses and purposes of the Pea Island National Wildlife Refuge and the Cape Hatteras National Seashore are avoided, if possible, or minimized, and that, if the Secretary of the Army finds appropriate, unavoidable adverse impacts are mitigated.

COMPLIANCE WITH CLAUSE 2(l) OF RULE XI OF THE RULES OF THE HOUSE OF REPRESENTATIVES

(1) With reference to clause 2(l)(3)(A) of the Rules of the House of Representatives, no separate hearings were held on the subject matter of this legislation by the Subcommittee on Investigations and Oversight. However, the Subcommittee on Water Resources held hearings on this subject matter.

(2) With respect to clause 2(l)(3)(B) of rule XI of the Rules of the House of Representatives, H.R. 3082, as reported, does not provide new budget authority or increased tax expenditures. Accordingly, a statement pursuant to section 308(a) of the Congressional Budget Act is not required.

(3) With reference to clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives, the Committee has received a report prepared by the Congressional Budget Office under section 403 of the Congressional Budget Act. The report is as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., March 6, 1984.

Hon. JAMES J. HOWARD,
Chairman, Committee on Public Works and Transportation,
U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for H.R. 3082, the Emergency Wetlands Resources Act of 1983.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

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(For Rudolph G. Penner, Director).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 3082.
2. Bill title: The Emergency Wetlands Resources Act of 1983.
3. Bill status: As ordered reported by the House Committee on Public Works and Transportation, March 6, 1984.
4. Bill purpose: The bill authorizes the Secretary of the Interior to charge admission fees at certain units of the National Wildlife Refuge System and to deposit the revenues collected, less administrative expenses, into the migratory bird conservation fund. The Secretary is required to submit a report on the administration of this provision to Congress no later than March 31 each year. The bill also raises the price of duck stamps to $10 per year for hunting

years 1984 and 1985, to $12.50 per year for hunting years 1986 and 1987, and to $15 per year for each hunting year thereafter.

Title II of the bill requires the Secretary to establish a national wetlands priority conservation plan. The bill authorizes the transfer of $75 million per year from the land and water conservation fund to establish a wetlands conservation fund, and authorizes appropriations of $75 million per year from this new fund to carry out this title. Of the amounts appropriated, up to two-thirds, less four percent allowed for federal administrative expenses, shall be allocated to the states for their wetlands programs. The remainder is to be used for federal wetlands acquisitions.

Title III of the bill directs the Fish and Wildlife Service to continue the national wetlands inventory project and authorizes the appropriation of up to approximately $54 million for fiscal years 1985 through 1996. This title of the bill also requires the Secretary of the Interior to submit by September 30, 1985 a report to Congress regarding wetlands losses in the United States and authorizes the appropriation of $1 million to carry out the provisions of this section. In addition, the Wetlands Loan Act is amended so that funds appropriated to the migratory bird conservation fund will no longer be treated as an advance to the fund. Therefore, no repayment of previously appropriated funds will be required.

Title IV of the bill authorizes the Secretary of the Army to use land within the boundaries of Cape Hatteras National Seashore and Pea Island National Wildlife Refuge, as necessary, to carry out the project at Manteo (Shallowbag) Bay, North Carolina. The bill requires that a cost-benefit analysis be prepared for this project and that no funds be expended unless the analysis produces a favorable ratio.

5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1984	1985	1986	1987	1988
Title I: Estimated revenues	2	9	13	13	16
Titles II and III:					
Authorization level	1	90	90	90	83
Estimated outlays	(1)	64	83	90	83
Title III:					
Estimated budget authority		15	18	18	20
Estimated outlays		15	18	18	20
Total budget impact, estimated increase (+) or decrease (−) to the deficit	−2	70	78	95	87

[1] Less than $500,000.

Note: The costs of this bill fall within budget function 300.

Basis of estimate

Title I of the bill authorizes the charging of admission fees at designated wildlife refugees. Based on information from the U.S. Fish and Wildlife Service (USFWS), it is estimated that this provision of the bill will produce revenues of approximately $5 million per year. No revenues are estimated for this provision in fiscal year 1984 because the necessary designations will not have been

made. It is estimated that increasing the price of duck stamps as stated in the bill will produce additional revenues of approximately $4 million per year in hunting years 1984 and 1985, $8 million per year in hunting years 1986 and 1987, and $11 million in hunting year 1988 and thereafter. Revenues for fiscal year 1984 for this provision are estimated on a partial year basis.

For Title II, the authorization levels are those stated in the bill. For purposes of this estimate, it is assumed that the bill will be enacted by May 1, 1984 and that the full amounts authorized will be appropriated for each fiscal year. The outlays associated with the authorized amounts are based on similar programs administered by the USFWS.

Title III of the bill amends the Wetlands Loan Act by deleting the provision in current law that treats appropriations to the migratory bird conservation fund as advances. To date, appropriations to the fund total approximately $154 million. Under current law, repayments composed of 75 percent of each year's duck stamp revenues would begin after the expiration of the Wetlands Loan Act on September 30, 1984. By forgiving the repayment of $154 million in previously appropriated advances, this bill would make available for spending the duck stamp revenues that would otherwise be earmarked for repayment to the Treasury. The net result of this provision is a cost to the federal government of approximately $15 million in 1985, increasing to $20 million by 1988.

Title IV of the bill authorizes the Secretary of the Army to use land within the boundaries of Cape Hatteras National Seashore and Pea Island National Wildlife Refuge for the project at Manteo (Shallowbag) Bay, North Carolina. This provision will not impose significant additional costs on the federal government. The requirement for a cost-benefit analysis, however, could affect whether the project, estimated to cost $94 million, is undertaken.

6. Estimated cost to State and local governments: A state will be eligible for grants under this bill when the Secretary of the Interior approves its wetlands conservation plan. To the extent that a state has already prepared a wetlands conservation plan, significant additional expenditures will not be required. If a state does not have a wetlands conservation plan, and wishes to participate in this program, expenses for the preparation of such a plan will be incurred. These costs cannot be estimated at the present time.

Eligible states would receive grants totaling approximately $47 million per year under this legislation. Fifty percent of the grants would be allocated on the basis of the ratio of each eligible state's expenditure of funds for wetlands conservation projects to the total funds expended by all eligible states for wetlands conservation projects. The remaining 50 percent will be apportioned by the Secretary of the Interior consistent with the national wetlands priority conservation plan. Funds apportioned to states cannot be used to fund more than 75 percent of an approved project. Therefore, a nonfederal contribution of 25 percent will be required, amounting to about $16 million per year.

7. Estimate comparison: None.

8. Previous CBO estimate: On September 29, 1983, the Congressional Budget Office prepared a cost estimate for H.R. 3082, as ordered reported by the House Committee on Merchant Marine and

Fisheries. Since than additional appropriations have increased to $154 million the total amount appropriated as advances to themigratory bird conservation fund. The estimated budget impact of Section 303 has also been revised, to accurately reflect the increase in duck stamp revenues that would result from title I.

9. Estimate prepared by: Mary Ann Curtin and Deb Reis.

10. Estimate approved by:

C. G. NUCKOLS

(For James L. Blum, Assistant Director for Budget Analysis).

(4) With reference to clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee has not received a report from the Committee on Government Operations pertaining to this subject matter.

(5) With reference to clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the following information is provided: The effect of carrying out H.R. 3082, as reported, should be minimal with respect to prices and costs.

COST OF LEGISLATION

Clause 7(a) of rule XIII of the Rules of the House of Representatives requires a statement of the estimated costs to the United States which would be incurred in carrying out H.R. 3082, as reported, in Fiscal Year 1984, and each of the following five years. However, under paragraph (d) of clause 7 its provisions do not apply when the Committee has received a timely report from the Congressional Budget Office.

COMMITTEE ACTION AND VOTE

The Committee, in compliance with rule XI(2)(l)(2)(A) of the Rules of the House of Representatives, reports favorably the bill H.R. 3082. The committee ordered the bill reported by voice vote.

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